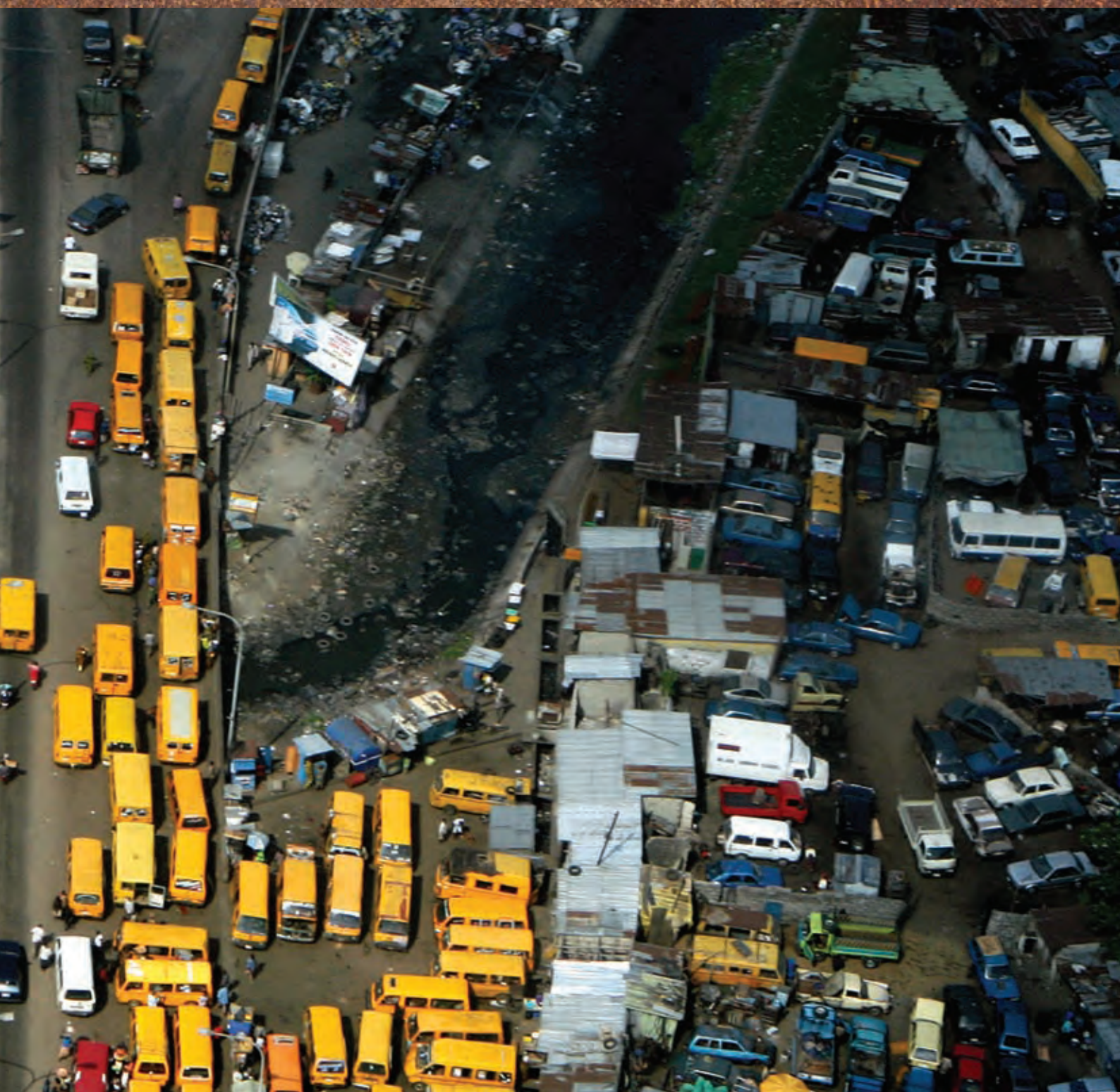


Cities

the New Frontier



1

Cities – the Future

1 HM Treasury (2007) The Stern Review: The Economics of Climate Change, http://www.hm-treasury.gov.uk/sternreview_index.htm

Cities are the future of the 21st century. More than half the world's population lives in towns and cities and this proportion will rise to nearly two thirds by 2030. Cities are seats of government and learning, crucibles of culture – art, theatre and music – engines of economic growth, clusters of innovation and a context for social and political change.

Yet the growth in city populations is paralleled by the increasing urbanisation of poverty. Already more than 1 billion of the world's 6.6 billion people live in urban slums, often in overcrowded conditions, decrepit housing with no clean water or sanitation. This number is expected to rise to nearly 2 billion by 2030. However, well-managed urbanisation can facilitate poverty reduction through economic growth and job creation, and social and political transformation. There is also a close link between a country's levels of urbanisation and greenhouse gas emissions, now understood to be major contributors to climate change, although major variations between towns and cities occur.

Two of the great challenges now facing the planet, poverty reduction and climate change, are inextricably linked¹. Developing countries are particularly vulnerable to the effects of climate change because of fragile environments, poor urban conditions and low incomes that constrain their ability to adapt.

At the Rio de Janeiro 2010 fifth session of the World Urban Forum, UN Habitat (which receives £1.0M per year core support from DFID) launched the World Urban Campaign. This will serve as an umbrella support structure for on-going initiatives being undertaken by a range of international agencies.

In 2009, a session of the House of Commons' International Development Committee examined the challenges of Urbanisation and Poverty. This paper takes forward issues raised by the IDC Report: it examines the policy priorities of poverty reduction, economic growth and climate change, explores the lessons learned and highlights some of DFID's current programmes that tackle urban poverty.

“Cities are the future of the 21st century. More than half the world's population lives in towns and cities and this proportion will rise to nearly two thirds by 2030.”

Cover Image:
An overview of Lagos.
Lagos, Nigeria.
© George Osodi / Panos Pictures.

Left: View of Shanghai at twilight.
Shanghai, China.
© Robert Wallis / Panos Pictures.

Cities of the 21st Century: Meeting the Challenge

2

An Urbanising World

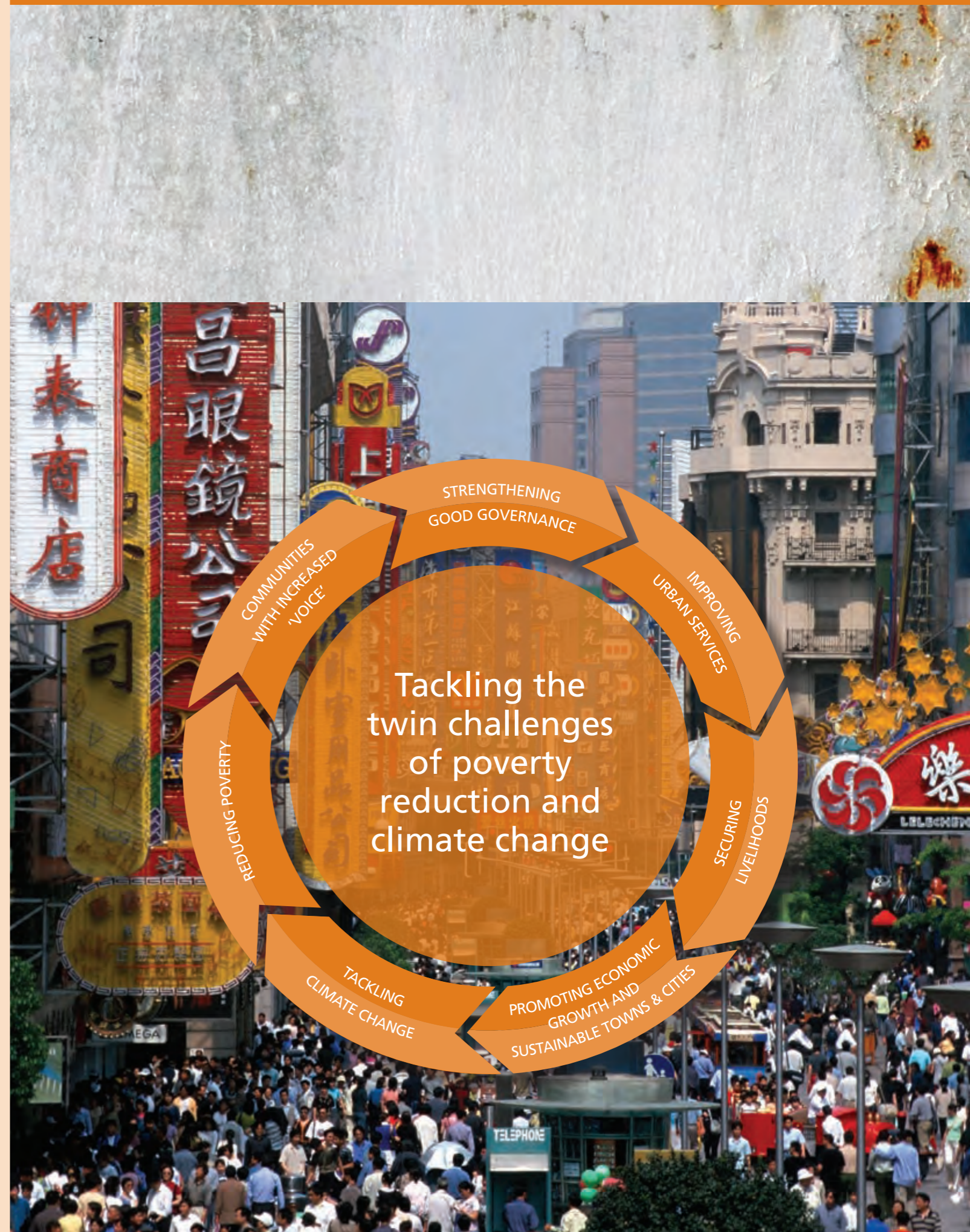
- The global population may increase from about 6.8 billion in 2008 to about 9.1 billion by 2050 - most growth will take place in urban areas.
- The world's urban population is expected to increase from around 3.3 billion today to over 6 billion by 2050.
- At present just over half the world's population lives in urban areas – this is set to rise to 61% by 2030.
- Over 95% of the world's urban population growth will occur in developing countries.

Challenges of Rapid Growth

- High rates of urbanisation require careful planning to avoid critical problems in meeting the increased demand for housing, jobs and urban services.
- Some of the poorest countries face particularly high rates of growth in towns and cities.
- By 2030 700 million people in Africa will live in cities and towns, some 72% of these in slum conditions if urgent action is not taken.
- Mega-cities of over 10 million people will become more common – Tokyo, Delhi, Mexico City, New York, Mumbai, São Paulo and Shanghai are already in this league.
- Most new urban growth is likely to occur in smaller settlements of 100,000-250,000 people.

Slums

- Close to 1 billion people, around 32% of the world's urban population, live in slums.
- Slums are defined as areas lacking security of tenure, durable housing, adequate living space, access to safe water and sanitation. Human security is also an issue.
- The number of slum dwellers is forecast to rise to about 1.8 billion by 2030.
- 92% of the world's slum dwellers live in developing countries.
- Asia has half of the world's urban population and 60% of the world's slum dwellers.
- 62% of the urban population in sub-Saharan Africa already lives in slums.
- The scale of urban poverty is frequently underestimated - migrants, temporary workers, slum dwellers and others are often excluded from poverty assessments.



3

Sharing Experience
of Cities and Towns

UK-China Sustainable Development Dialogue

The government has established sustainable development dialogues (SDDs) with China, India, Brazil, South Africa and Mexico, to encourage mutual learning on incorporating sustainable development values into government policy. In 2008, British and Chinese ministers signed a joint agreement to strengthen collaboration on sustainable cities. Joint research focusing on two themes - regenerating old industrial cities and providing affordable housing to low income households - has been taken forward by Sheffield and Glasgow, Wuhan and Nanjing. The research will be showcased in China at Shanghai's Expo 2010: Better City, Better Life.

² Department for International Development (DFID), Foreign and Commonwealth Office (FCO), Department of Communities and Local Government (CLG), Department for Environment, Food and Rural Affairs (Defra), and Department of Energy and Climate Change (DECC)

³ UK Local Government Alliance for International Development (2010) Prospectus for Local Government Engagement, Submitted to DFID Expert Group meeting 2 February 2010

⁴ CLGF (2006) Aberdeen Agenda: Commonwealth principles on good practice for local democracy and good governance, <http://www.clgf.org.uk/userfiles/clgf/file/AberdeenAgendaLeaflet8pp.pdf>

The UK Government seeks an equitable, just and environmentally sustainable world and is committed to supporting the eight UN Millennium Development Goals (MDGs) agreed at the UN's Millennium Summit in 2000. MDG 7, Environmental Sustainability, is central to addressing the challenge of urbanisation, in particular, the target "to achieve significant improvement in the lives of at least 100 million slum dwellers by 2010". Innovative partnerships too will help address the urban challenge (see pages 2 & 3).

Cross-government collaboration between key Whitehall departments is crucial to extending the effectiveness and reach of international aid. DFID is the lead department for international development assistance, supported by the FCO. CLG is a focus for UK urban expertise, Defra for sustainable development and DECC for climate change².

DFID has country programmes in Asia, Africa, the Middle East and Caribbean and a strong research agenda that focuses on growth, governance, human development and climate change. CLG supports effective local governance, mainstreams sustainable development, and promotes urban regeneration. UK cities have seen a renaissance in the last decade and smaller towns also have a major role to play in ensuring economic prosperity.

CLG and the FCO are collaborating on preparations for the UK pavilion at Shanghai's Expo 2010: Better City, Better Life – where some 186 country delegations and 70 million visitors are expected. Defra is leading the Sustainable Development Dialogues (SDDs) with the emerging economies of India,

China, Brazil, South Africa and Mexico and CLG contributes to the urban working party of OECD's Territorial Development Policy Committee which promotes effective governance.

Local government is at the front line in service delivery and transparent and open governance is essential in delivering a people-centred approach to poverty-reduction; but local governments in low-income countries often face acute difficulties in delivering effective democracy and sound management³. A blueprint for local democracy is set out in the 2006 Aberdeen agenda, approved by Commonwealth Local Government Forum (CLGF) members⁴. Twinning agreements between local authorities can lead to innovative partnerships for addressing the urban challenge. DFID is supporting the CLGF's Good Practice Scheme on local government capacity building projects. A CLGF good practice project between Lewisham in London and Ekurhuleni in South Africa tackled unemployment, while Bristol's link with Puerto Morazan in Nicaragua supports education, cultural exchange and livelihoods.

The UK also has experience in social housing provision stretching back over a century; the National Housing Federation (NHF) represents 1,200 not-for-profit housing associations in England. The NHF has close ties with Homeless International, a UK charity that supports community-led development in Africa and Asia.

Left: Workers on the construction site of a new elevated highway. New Delhi, India.
© Qilai Shen / Panos Pictures

Economic Growth & Sustainable Cities

4

Growth and Poverty Reduction

Cities and towns thrive on trade – market towns trade in crops, secondary cities produce and trade in manufactured goods and large cities design and sell goods and services. Access to markets is key to trade and growth⁵.

Economic growth and urbanisation go hand in hand. Richer countries are often highly urbanised and there is a close correlation between urbanisation levels and GDP per head of the population. Major cities produce the greatest share of national wealth; the 2009 World Development Report⁵ points out that no country has grown to middle-income status without industrializing and urbanising but the geographic distribution of growth is highly uneven.

However, economic growth does not always support poverty reduction and in many cities the gap between rich and poor and the size of slum populations have increased. In Mexico City, 60% of residents work in the informal sector and the number of street vendors increased by 40% from 2000 to 2005⁶.

In many fast-growing cities poor communities are persistently excluded. As a result poverty is pervasive and entrenched, receiving inadequate policy focus from local or central government. Growth has often privileged the rich over the poor, damaged local and global environments, and failed to generate enough jobs. The challenge is to secure stable livelihoods for the urban poor as part of effective social and political transformation and resourcing of urban expansion. This should be done in a way that does not contribute to environmental degradation.

A DFID policy priority therefore focuses on delivering pro-poor growth (see boxes).

Economic Crisis

The world is facing the worst economic crisis for 60 years and urban economies are under stress. The impacts have included frozen credit markets, plummeting equity prices, and exchange rate fluctuations⁷.

For many of the urban poor the impact includes job losses in formal employment, inconsistent remittances, and increasing numbers competing for informal work. Reports from DFID country offices suggest sharp rises in poverty, particularly for the urban poor: in Vietnam the demand for casual day labour has dropped by around 50%; in Cambodia overtime pay has fallen and workers are leaving garment factories. In China job losses are concentrated in low-skilled or export sectors (urban construction, electronics or manufacturing) reducing the 'lifeblood' of remittances to rural areas.

For local authorities, the economic crisis means reduced tax revenues and a squeeze on funds for capital investment in infrastructure, slum upgrading or urban regeneration⁷. Falling revenue will compound existing organisational and financial problems, limit capacity to address environmental problems, and may reverse recent gains in poverty reduction.

Nevertheless, the economic crisis provides opportunities to rethink the parameters of urban growth with appropriate regulatory frameworks emphasising low-carbon solutions for energy generation, locally sourced food and products, and the potential for recycling.

⁵ World Bank, 2009, World Development Report 2009, Reshaping Economic Geography, Washington. World Bank

⁶ UN-HABITAT (2009) Global Report on Human Settlements 2009, Planning Sustainable Cities, London, Earthscan

⁷ World Bank (2010) Global Economic Prospects: Crisis, Finance and Growth, <http://web.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROSPECTS/EXTGEBLPROSPECTS/0,,menuPK:615470~pagePK:64218926~piPK:64218953~theSitePK:612501,00.html>

Growth, Cities and Poverty Reduction

Development experiences over many years of harnessing the benefits of economic growth and urbanisation for poverty reduction indicate the following:

- Inclusive poverty reduction depends in part on economic growth and how it is distributed; economic growth is generally faster in cities;
- Although the MDG 7 Target of taking 100 million people out of poverty in slums by 2015 will be met, by that time nearly 1 billion more people will live in slums;
- Thus addressing the challenge of development in cities and towns is essential if the MDGs are to be met;
- The immense scale of urbanisation and poverty is underestimated; population estimates probably under-count the urban poor, especially if measures such as chronic malnutrition and hunger are considered;
- It will be more difficult (and expensive) to tackle the challenges/seize the opportunities in a decade than if we start now;
- National poverty-reduction frameworks need to take on board the issues of urbanisation.

DFID India: Support Programme for Urban Reforms (SPUR) in Bihar

SPUR is a major 6-year programme designed to help 'urban local bodies' in India enhance their capacity to deliver efficient urban services and attract private investment. SPUR helps partners prepare economic growth plans, develop public-private partnerships (PPPs) where appropriate and improve livelihood opportunities for the poor. The programme is awaiting approval from the Government of India (£60m, 2009-2015).

DFID Bangladesh: Moving from Extreme Poverty through Enhancing Economic Empowerment

Focussing on two slums in Dhaka, Kamrangirchar and Karail, this project helps strengthen the productive assets of very poor households. The project helps very poor women understand human rights and social entitlements, enhances the business skills of poor households, strengthens citizen-based organisations and improves access to urban and health services. It operates through Dushtha Shasthya Kendra under DFID's Bangladesh Challenge Fund (£3.7m, 2009-2012).

Cities & Climate Change

5

Climate Change – An Urgent Agenda

Climate change and poverty are two great challenges facing mankind today. The scientific evidence is overwhelming. The IPCC's 4th report highlights worldwide evidence showing the affects of climate change⁸. As the influential Stern Review pointed out, climate change presents serious global risks and demands an urgent global response. 'Hundreds of millions of people could suffer hunger, water shortages and coastal flooding as the world warms'.

Rising sea levels are already affecting countries such as Bangladesh, Vietnam, and the Maldives, coastal metropolises such as Tokyo, New York, Cairo and London, and may permanently displace some 200 million people. It will be the poorest countries and people who are the most vulnerable to the effects of climate change.

Cities and Climate Change

Cities are often seen as a major source of greenhouse gases (GHGs) and contributors to climate change, but the link between population growth in cities and GHG emissions is complex. In general, richer countries emit higher levels of GHGs, but there are considerable variations. Most urban growth is taking place in low and middle-income cities where new urban residents have limited access to energy-consuming life-styles⁹.

Climate change will affect a wide range of sectors including the built environment, infrastructure and the resource systems which support cities and may lead to increased migration of people from rural areas to towns and cities¹⁰. Ensuring the availability of water to support urban lifestyles is becoming increasingly difficult due to population growth, surging demands for food and bio-fuels, rising water demand, degradation of water resources and changing weather patterns. Climate change may also exacerbate other environmental risks facing large cities – including yields of staple crops for urban food.

Responses to Climate Change

Responsibility for dealing with climate change will fall mainly on city governments, with responses falling into two broad policy domains. Mitigation is action designed to reduce the emissions that cause global warming, principally GHGs, while adaptation refers to measures to help populations to adjust to the unavoidable effects of climate change.

Urban planning and the promotion of green/low carbon development have key roles to play. There are unprecedented opportunities for fundamental change – economic, institutional, technological, social and political – which until recently have been low priority on urban agendas. It will take strong political and community commitment to achieve the behavioural and technological changes necessary to achieve significant GHG reductions and to build resilience to the effects of climate change.

⁸ IPCC (2007) Climate Change 2007: Synthesis Report, Intergovernmental Panel on Climate Change (IPCC), http://www.ipcc.ch/publications_and_data/ar4/syr/en/mains1.html#1-1

⁹ Satterthwaite, D (2009) The implications of population growth and urbanization for climate change, *Environment & Urbanization*, Vol 21(2): 545–567

¹⁰ Bulkeley, H., Schroeder, H., Zhao, J. Armstrong, A., Chu, S-Y, and Ghosh, S. (2009) *Cities and Climate Change: The role of institutions, governance and urban planning*, World Bank Urban Symposium June 2009

Right: A boy carries the family's solar panel back to the house after it has been fixed by the barefoot solar engineers. The Orissa Tribal Empowerment and Livelihoods Programme (OTELP) is an organisation funded by DFID (Department for International Development) and run with the state government of Orissa. Orissa, Eastern Ghats, India. © Abbie Trayler-Smith / Panos Pictures.

Cities Coping with Climate Change

- One in three people in developing countries already lives in cities and towns – they are particularly vulnerable to flooding, heat stress, electricity and drinking water shortages, and hunger;
- The likelihood of increased flows of people to towns and cities in search of work and improved livelihoods needs to be anticipated to avoid exacerbating social exclusion and poverty.
- Cities in the future will need to be more energy efficient (buildings, heating/cooling, transport etc) and are likely to be short of electricity;
- Urban planning has a key role in promoting measures to reduce GHG emissions, such as better public transport, compact cities, and energy-efficient building;
- Climate change mitigation is essential to avoid the risks of severe future consequences; adaptation should be a mainstream development agenda – both are crucial local development challenges to reduce vulnerability of the poor to climate change impacts;
- The IPCC 5th Assessment on Climate Change will focus on the urban environment.

Adapting life-styles and economies to adopt efficient, low-energy and environmentally sustainable solutions also creates opportunities for innovation. These should not be seen solely as climate change-driven initiatives but as economic and business strategies that take advantage of the new political and economic environment created by the climate change process and that position cities and countries to take their place in new low-carbon economies.

Working in Cities in Crisis

- Governance and institutional capacity in cities facing urban conflicts is already relatively weak, so the development challenge is significant;
- The challenges include: inadequate infrastructure; lack of basic services; non-functional land-markets and limited access to housing;
- A 'febrile administration' or erratic leadership may focus on the urgent or politically expedient but may not engage with the longer-term technical and professional needs of the future;
- Municipal/local government is often non-existent or incapacitated and staff lack basic skills, in particular, the tools to prioritise demand and needs;
- But – good urban management can facilitate poverty reduction through job creation, and social and political transformation
- Specific communities have particular needs, such as internally displaced persons;
- Bottom-up processes of community engagement can be very effective in establishing greater stability.

DFID Afghanistan: Lashkar Gah Phase II – Strengthening Municipal & Community Governance

The provincial capital of Helmand Province, Lashkar Gah, has become more stable since 2008, despite continuing insurgency in the region. The project aims to increase stability in Lashkar Gah by improving service delivery through citizen-friendly governance. DFID is supporting a larger UN-HABITAT programme covering two thirds of Lashkar Gah city, working with the Municipality and central government. The programme aims to help 45 communities develop and implement community action plans to improve garbage collection, drainage and sanitation (£2.4m).

DFID Sudan: Study of Urbanisation

A research study of four city case studies seeks to deepen understanding of the drivers of urbanisation in Sudan and to identify how the international aid community can best engage in humanitarian and development programming. The study will guide DFID's future programming in conflict-affected urban areas eg: Darfur, to contribute to the Government of Southern Sudan's long-term town planning and help vulnerable urban populations (£0.2m, Jan-Sep 2010).

6

Cities in Crisis – Urban Conflict

11 McLoughlin, C. (2009) Topic Guide on Fragile States, Governance and Social Development Resource Centre, International Development Department, University of Birmingham, <http://www.gsdrc.org/docs/open/CON67.pdf>

12 Collier, P. (2007) *The Bottom Billion: Why the Poorest Countries are Failing and What can be Done About It*, Oxford, Oxford University Press

13 CLEP (2009) *Making the Law Work for Everyone, Volume 1 Report of the Commission for Legal Empowerment of the Poor*, (CLEP), New York, UNDP

Urban conflict is rooted in social exclusion, often resulting from differences in ethnicity, class, religion or gender¹¹. Social groups with little access to institutions of the state may challenge entrenched powerbases, often violently if there is no political space for negotiation. Violence may be associated with specific ethnic groups or youth unemployment and exclusion. Sudden influxes of migrants, internally displaced persons or refugees, especially those fleeing war or political conflict, can trigger conflict between migrant and host populations as recently experienced by Zimbabwean refugees.

Conflict may result from internal factors such as inequalities between urban residents. In cities with large slum populations, conflict and crime may emerge where there are large and concentrated numbers of young, unemployed or poor people. Tension is heightened when resources are scarce, as illustrated by the widespread riots in 2008 against food-price rises in countries as disparate as Mexico, Uzbekistan and Mauritania. External factors also have a part to play; for example, tensions in fragile or poorly governed states are often played out in an urban context. Some 30–50 states are estimated to be 'fragile' covering one billion people, including about 340m of the world's extreme poor¹².

The challenges of urban conflicts are legion, including weak governance, limited administrative capacity, humanitarian and social problems and legacies of political tensions or civil war. Women and men are differently affected by lack of political and social stability and the gender aspects of urban conflict are not always fully recognised.

Tackling Urban Conflict and Violence

Increasingly, city governments are seen as crucial in reconstruction and development. The strengthening of open governance and accessible infrastructure and services is key to supporting political and social stability.

Many other actors also contribute to reducing conflicts, including faith-based aid organisations, traditional leaders and diaspora communities who often support poor households directly through remittances and help develop modern institutions through knowledge transfer. For example, relative stability has been reintroduced to Somaliland in the north of Somalia through powerful community support mechanisms, leading to the establishment of elected municipal government and five new universities since 1992.

Access to justice and the rule of law is central to establishing viable, functioning government, identified as crucial to empowerment of the poor by the influential UNDP Commission for Legal Empowerment of the Poor¹³.

Left: Traffic, street vendors and crowds in a Muslim quarter of the city centre near Mohammed Ali Road, Maharashtra, Mumbai (Bombay), INDIA.
© Martin Roemers / Panos Pictures.

Strengthening Communities & Good Governance

7

Local Government and Service Provision

Accessible, transparent local government is crucial in the fight against poverty. Reliable and affordable basic services and infrastructure – including energy, housing, transport, sanitation and water – are vital to the urban poor who have limited private resources to compensate for lack of public provision. There is often a failure to translate poor people’s demands into policy, both in the local provision of services and in national poverty reduction strategies.

In many countries, capacity limitations mean that urban development ministries and municipalities do not always spend the funds available. A widespread weakness is insufficient provision for maintenance of existing systems, leading to service breakdowns. Densely populated slum areas present particular challenges for service providers due to insecure tenure and low political priority. Urban services and environmental improvements can successfully reach the poor when investments are linked to upgraded city-wide infrastructure, capacity building, institutional and financial reforms and community based planning.

DFID has developed a significant body of knowledge on ways in which cities and towns can be managed for the benefit of poor people, drawing on over 20 years of experience in urban programmes, particularly in South Asia. Slum upgrading work has focussed on India, where 15% of the urban population live in slums (54% are in slums in Mumbai) and about 26% are vulnerable due to insecure tenure, inadequate water and sanitation or poor access to social services. A large programme covering 42 towns in Andhra Pradesh has

recently been completed (see boxes for current Indian projects). In Bangladesh, the UK is providing £60 million over six years through UNDP to support slum improvements in 34 towns and cities.

Supporting Communities

Community groups of the urban poor can make significant progress in opening dialogue with local governments and increasing their accountability to the poorest, as demonstrated by the achievements of Shack/Slum Dwellers International (SDI) and the Self-Employed Women’s Association (SEWA) of India.

Many of the urban poor work in the informal economy as street vendors, wastepickers, home-based workers, construction labourers and in other insecure areas of work. These are often viewed as a problem by local governments, even though city economies may depend on the low-cost labour they provide¹⁴. An inclusive approach to urban management can enable rather than repress livelihoods as, for example, promoted by the Commonwealth Local Government Forum’s Inclusive Cities initiative (see box).

Over recent years DFID has sponsored extensive research on urban livelihoods, citizens as agents of change, urban governance and poverty and rural-urban linkages, to increase understanding of the complex survival strategies of poor urban households. Secure tenure and protection from forced evictions are key to obtaining public infrastructure services – without property rights municipalities are reluctant to provide infrastructure to slum households, especially in unplanned settlements or on public land.

14 Brown, A. (ed)(2006) Contested Space: Street trading, public space and livelihoods in developing cities

Right: View of a slum in South Mumbai, occupied by dhobi wallahs, (laundry workers) with washing drying on rooftops. Maharashtra, Mumbai (Bombay), India. © Mark Henley / Panos Pictures.



Empowering Communities, Strengthening Governance

- Municipal government’s traditional role of providing urban services makes a key contribution to poverty reduction;
- Community empowerment and active citizenship is central to the lessons learned over the last 20 years;
- An inclusive approach to urban planning and management can support urban livelihoods and improve slums through regularising tenure and provision of and access to basic services;
- There is a need to address the governance gap and strengthen interface between central and local government and between local government and citizens;
- There is considerable potential for developing capacity in medium-sized cities;
- It is important to build institutional knowledge and develop new and innovative partnerships for development.

- ### The 12 Pilot Cities in CLGF’s Inclusive Cities Network
- | | |
|-------------------------|------------------------------------|
| Ahmedabad, India | Hyderabad, India |
| Birmingham, UK | Kuala Lumpur, Malaysia |
| Brisbane, Australia | Johannesburg, South Africa |
| Dar es Salaam, Tanzania | Port Moresby, Papua New Guinea |
| eThekweni, South Africa | Port of Spain, Trinidad and Tobago |
| Freetown, Sierra Leone | Vancouver, Canada |

Strengthening Governance

DFID Southern Africa: Urban LandMark

Urban LandMark was set up in Pretoria in May 1996 with DFID funding. The aim is to influence policies and practices in South Africa to improve poor people's access to urban land. Working with four key themes – markets, governance, people and place – the project seeks to research how urban land markets operate and are governed and to engage the state, private sector and civil society in making them work better for the poor (£3.4m, 2006-2011).

DFID Angola: Luanda Urban Poverty Programme, Phase 3 (LUPP)

This project, undertaken with One World Action, promotes pro-poor inclusive government policies and practices. The Luanda municipalities of Cacuaco, Cazenga, Kilamba Xiaki and Sambizanga are working with the urban poor in programme planning; national and provincial governments are seeking ways to replicate LUPP's community management model and an Urban Poverty Network strengthens advocacy (£1.8m, 2007-2010).

DFID India: Madhya Pradesh Urban Services for the Poor (MPUSP)

The urban programme in Madhya Pradesh continues 20 years of DFID involvement in urban India. The programme aims to improve the capacities of 'urban local bodies' to improve planning, raise revenues and enable affordable access to services. MPUSP initially covers four cities, Bhopal, Jabalpur, Indore and Gwalior, but will soon expand to ten smaller towns. The programme complements an Asian Development Bank water supply and environmental improvement project (£41m, 2006-2011).

DFID Nigeria: Infrastructure Advisory Facility (NIAF)

NIAF aims to enhance management of infrastructure at federal level in Lagos and other selected states. The aim is to create an improved environment for sustainable investment in power, water and transport and to create the policy and institutional environment for instituting successful public-private infrastructure partnerships (PPPs). Beneficiaries include Lagos Metropolitan Area Transport Authority (LAMATA), Lagos Bus Rapid Transit (LAGBUS) and Lagos State Waterways Authority (LAWASA) (£1.5m, 2008-2009). DFID Nigeria is intending to design a second stage of NIAF commencing in 2010.

Improving urban Service Delivery

DFID Bangladesh: Urban Partnerships for Poverty Reduction (UPPR)

UPPR is a partnership between DFID Bangladesh, the United Nations Development Programme and the Bangladesh government's Local Government Engineering Department (LGED). The programme supports community development in slums through setting up savings groups and community development committees (CDCs). CDCs manage grants for settlement improvement and influence town planning policies; the programme also influences national urbanisation and poverty reduction policy (£60m, 2007-2014).

DFID India: Support for the Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

The JNNURM is a 7-year flagship scheme, launched by the Government of India in 2005, to fast-track urban reforms and planned urban development. Its mission is to improve efficiency in urban service delivery, strengthen community participation and develop the accountability of urban local bodies and state agencies, with two sub-missions: Urban Infrastructure and Governance administered by the Ministry of Urban Development and Basic Services to the Urban Poor. The overall scheme commits £6 billion across 63 cities and in 2010, following a successful pilot, DFID agreed a programme to help accelerate delivery of the JNNURM, tackling core governance competencies in cities – of capacity, financial autonomy and accountability - and investing in major infrastructure (£14.5m, 2009-2014).

Image: A road is constructed with the help of IFAD (International Fund for Agricultural Development) funds, Sunamganj, Bangladesh.
© G.M.B. Akash / Panos Pictures.

DFID Partnership Projects

Community Led Infrastructure Finance Facility (CLIFF)

The Community Led Infrastructure Finance Facility (CLIFF) is an international partnership providing a finance facility to organisations of the urban poor for housing and infrastructure projects. CLIFF helps communities access finance, demonstrate appropriate construction projects and influence local, national and international policy. DFID's initial £6.8 million investment in CLIFF has shown considerable success (particularly in India), securing tenure and providing decent homes for over 5,400 families and access to sanitation for over 800,000 slum dwellers; a second phase (£15m over four years) has recently been approved. CLIFF currently operates in three countries: India, Kenya and the Philippines and is projected to leverage £33 million from both the private and public sources.

Slum Upgrading Facility (SUF)

DFID has worked with Cities Alliance to support the Slum Upgrading Facility (SUF) contributing about £5.9 million. SUF is a technical cooperation and seed capital facility that aims to develop increased access to formal credit for slum dwellers' organisations, enabling them to implement slum upgrading projects. SUF is managed and implemented by UN-HABITAT and works with local governments, financial institutions and slum dwellers to mobilise investments for slum upgrading and relocation. There are projects in urban settlements in Ghana, Kenya, Sri Lanka and Tanzania. The project began in 2004.

8

Working in Partnership – Taking Forward the Agenda

15 House of Commons (2009) Government's Response to Report of the International Development Committee: Urbanisation and Poverty (7th Report, Volume I, Session 2008-09).

Adding Value – A New Approach to Cities and Towns

This section highlights existing partnership programmes and key initiatives by DFID partners.

DFID will publish a series of guidance papers setting out what has been learned and our thinking in key urban development settings and will build on the potential for North-South and South-South city partnerships to strengthen knowledge sharing. DFID will also start new urban initiatives in five additional cities in South Asia and Africa, extending existing knowledge gained in South Asia to new locations¹⁵.

Three detailed guidance papers will be produced later in 2010, aimed at sharing knowledge, and drawing upon DFID's extensive experience of poverty-reduction agendas in cities and towns.

Three topics are proposed:

- Urban Development in South Asia: Learning from Experience
- Cities and Climate Change
- Cities Coping with Conflict

Left: New infrastructure: road being widened into highway in one of Asia's fastest growing cities, an expansion based on the growth of India's software industry. Karnataka, Bangalore, INDIA. © Mark Henley / Panos Pictures.

UN-HABITAT

DFID supports the work of UN-HABITAT, whose fifth World Urban Forum (WUF 5) at Rio de Janeiro, on Taking Forward the Right to the City: Bridging the Urban Divide, attracted some 18,000 registrations from 171 countries. The Forum debated six major open dialogues: taking forward the Right to the City; bridging the urban divide; equal access to shelter and basic services; cultural diversity in cities; governance and participation, and sustainable urbanisation - key themes for shaping the UN-HABITAT agenda. WUF 5 also saw the launch of the World Urban Campaign and the 100 Cities Initiative of 'living practice' examples.

Image: An overview of downtown Lagos, Lagos, Nigeria.
© George Osodi / Panos Pictures.

World Bank Urban Programmes

DFID has worked extensively with the World Bank for many years on urban development and addressing urban poverty through global, regional, and country activities, helping the Bank lever resources for technical assistance, analysis and project financing, particularly in Africa and South Asia. Recently DFID support has included: research for the Bank's World Development Report, 2009, Reshaping Economic Geography; support for the Bank's work in Africa on Mainstreaming Urban in Poverty Reduction Strategies in Ethiopia, Ghana, Tanzania, Kenya and Mozambique; support through Cites Alliance on municipal finance and land issues in Ghana; and institutional strengthening in India's Ministry of Housing and Urban Development. DFID's institutional strengthening in Madhya Pradesh and West Bengal will be followed by Bank lending for improved service delivery. Cooperation has also taken place in Pakistan, Afghanistan, Indonesia and the West Bank and Gaza.

Cities Alliance

Cities Alliances is a global coalition of cities and development partners which provides match funding for two core programmes – city development strategies and slum upgrading. DFID was a founding member of Cities Alliance which was launched in 1999. Cities Alliance promotes the development role of local governments, helping cities obtain international support and promoting the positive impact of urbanisation in preparing for future growth. National and city governments are encouraged to devise strategies that promote the benefits of urbanisation. City Development Strategies adopt a consultative process through which local stakeholders define their city vision and Citywide and Nationwide Slum Upgrading programmes help cities promote secure tenure, improve access to shelter and prevent the growth of new slums.

Asian Development Bank (ADB) Cities Development Initiative for South Asia (CDIA)

The Cities Development Initiative for Asia (CDIA) is a multi-donor programme helping medium sized Asian cities bridge the gap between development plans and implementing infrastructure investments. CDIA works within three core impact areas: urban environmental improvement; urban poverty reduction; climate change mitigation or adaptation. CDIA was set up following the 2006 review of ADB's Urban Sector Strategy, first published in 1999. Major programme interventions include initiatives in Khulna (Bangladesh); Battambang (Cambodia); Guiyang and Yangzhou (China); Chennai, Cochin and Rajkot (India); Banda Aceh (Indonesia); Pakse (Laos); Ulaan Baatar (Mongolia); Kathmandu (Nepal); Faisalabad (Pakistan); Ilo-Ilo and Cebu (Philippines); and Thanh Hoa, Can Tho and Da Nang (Vietnam), covering environmental infrastructure, public transport, utilities and services and climate change mitigation.

Sources

Unless otherwise referenced material is taken from:

a) DFID's evidence to the International Development Committee's 2009 session on Urbanisation and Poverty, HM Treasury (2009) Urbanisation and Poverty, House of Commons International Development Committee: Seventh Report of Session 2008-09, Volume II, <http://www.publications.parliament.uk/pa/cm200809/cmselect/cmintdev/511/511we01.htm>

b) DFID internal sources.



DFID, the Department for International Development: leading the UK government's fight against world poverty.

What is international development?

International development is about helping people fight poverty. Thanks to the efforts of governments and people around the world, there are 500 million fewer people living in poverty today than there were 25 years ago. But there is still much more to do.

1.4 billion people still live on less than \$1.25 a day. More needs to happen to increase incomes, settle conflicts, increase opportunities for trade, tackle climate change, improve people's health and their chances to get an education.

Why is the UK government involved?

Each year the UK government helps three million people to lift themselves out of poverty. Ridding the world of poverty is not just morally right, it will make the world a better place for everyone. Problems faced by poor countries affect all of us, including the UK. Britain's fastest growing export markets are in poor countries. Weak government and social exclusion can cause conflict, threatening peace and security around the world. All countries of the world face dangerous climate change together.

The 2009 White Paper, Building our Common Future, set out the UK government's approach to tackling global poverty in the context of the challenges posed by the world recession, climate change and countries affected by conflict or bad governance. The White Paper also renewed the government's commitment to increase UK aid to 0.7% of national income from 2013.

What is the Department for International Development?

The Department for International Development (DFID), leads the UK government's fight against world poverty.

Since its creation in 1997, DFID has helped more than 250 million people lift themselves from poverty and helped 40 million more children to go to primary school. But there is still much to do to help make a fair, safe and sustainable world for all.

Through its network of offices throughout the world, DFID works with governments of developing countries, charities, non-government organisations, businesses and international organisations, like the United Nations, European Commission and the World Bank, to eliminate global poverty and its causes. DFID also responds to overseas emergencies.

DFID's work forms part of a global promise, the eight UN 'Millennium Development Goals', for tackling elements of global poverty by 2015.

What is UKaid?

UKaid is the logo DFID uses to demonstrate how the UK government's development work is improving the lives of the world's poorest people.

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